## **FISCAL UPDATE Article**

Fiscal Services Division May 16, 2018



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## END OF SESSION — SF 2311 — ENERGY UTILITIES ACT

**Description.** Senate File 2311 modifies various provisions relating to public utilities. Specifically related to the lowa Utilities Board (IUB), the Act requires the Board to:

- Review energy efficiency plan modification requests within 90 days after filing.
- Approve schedules showing the automatic adjustment of rates and charges for public utility services.
- Adopt rules regarding the reporting of transmission expenses and transmission-related activity.
- Apply the total resource cost test, among other tests, to determine the cost-effectiveness of an energy efficiency plan.
- Approve, reject, or modify energy efficiency and demand response plans by March 31, 2019.

**Fiscal Impact**. The fiscal impact to the Department of Commerce Revolving Fund is estimated to be \$150,000. This estimate includes the following costs:

- The salary for a Senior Utility Analyst (pay grade of 33) is \$62,000.
- The salary for a Utility Analyst 2 (pay grade of 29) is \$52,000.
- Benefits for these employees are estimated to cost approximately \$17,000 to \$18,000 per employee annually.

The IUB intends to increase utilities assessments to fund the 2.0 new full-time equivalent positions.

**Enactment Date.** The Act was approved by the General Assembly on April 30, 2018, and signed by the Governor on May 4, 2018.

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